

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

IN THE MATTER OF:)	
)	
IFCO ICS-Chicago, Inc.)	Administrative Consent Order
)	
Proceeding Under)	EPA-5-02-113(a) IL-04
Section 113(a)(1)(A))	
of the Clean Air Act,)	
42 U.S.C. § 7413(a)(1)(A))	
_____)	

Administrative Consent Order

1. The Director of the Air and Radiation Division, United States Environmental Protection Agency (U.S. EPA), Region 5, is issuing this Order to IFCO ICS-Chicago, Inc. (IFCO) under Sections 113(a)(1) and 114(a)(1) of the Clean Air Act (Act), 42 U.S.C. §§ 7413(a)(1) and 7414(a)(1).

Statutory and Regulatory Background

2. Each state must submit to the Administrator of U.S. EPA a plan for attaining and maintaining the National Ambient Air Quality Standards under Section 110 of the Act, 42 U.S.C. § 7410.

3. On October 21, 1996, U.S. EPA approved 35 Ill. Admin. Code Part 218, Subpart TT (Other Emission Units) and 35 Ill. Admin. Code Part 218, Subpart UU (Recordkeeping and Reporting) as part of the federally enforceable volatile organic material (VOM) State Implementation Plan (SIP) for Illinois (61 Fed. Reg. 54556). These rules became effective November 20, 1996.

4. 35 Ill. Admin. Code § 218.988 (Subpart TT) and 35 Ill. Admin. Code § 218.991(a)(4) (Subpart UU) require that when U.S. EPA or the Illinois Environmental Protection Agency (IEPA) believes it is necessary to conduct testing to demonstrate compliance with 35 Ill. Admin. Code § 218.986 (Subpart TT), the owner or operator of the VOM emission unit subject to the requirements of Subpart TT shall conduct such tests in accordance with the applicable test methods and procedures.

5. The Administrator of U.S. EPA may require any person who owns or operates an emission source to, on a one-time, periodic or continuous basis, make reports; install, use and maintain monitoring equipment; sample emissions; and/or provide

information required by the Administrator under Section 114(a)(1) of the Act, 42 U.S.C. § 7414(a)(1). The Administrator has delegated this authority to the Director of the Air and Radiation Division.

6. Under Section 113(a)(1)(A) of the Act, 42 U.S.C. § 7413(a)(1)(A), the Administrator of U.S. EPA may issue an order requiring compliance to any person who has violated or is violating a SIP. The Administrator has delegated this authority to the Director of the Air and Radiation Division.

Findings

7. IFCO owns and operates a drum reconditioning facility at 2300 West 13th Street, Chicago, Illinois (the facility).

8. IFCO's drum furnace operation at the facility has potential VOM emissions of greater than 25 tons per year. Therefore, IFCO's drum furnace operation is subject to 35 Ill. Admin. Code Part 218, Subparts TT and UU in the Illinois SIP.

9. On August 27, 2001, U.S. EPA issued a Request for Information requiring IFCO to conduct VOM capture efficiency testing, or install a permanent total enclosure (PTE), and conduct VOM destruction efficiency testing, under 35 Ill. Admin. Code §§ 218.988 and 218.991(a)(4) and Section 114 of the Act, 42 U.S.C. § 7414, on the drum furnace operation to determine compliance with 35 Ill. Admin. Code § 218.986.

10. On January 10, 2002, U.S. EPA issued to IFCO a Finding of Violation (FOV) and on January 28, 2002, U.S. EPA issued to IFCO a Notice of Violation (NOV). The FOV and the NOV alleged, among other things, that IFCO violated 35 Ill. Admin. Code §§ 218.988 and 218.991(a)(4) and Section 114 of the Act, 42 U.S.C. § 7414, by failing to conduct VOM capture and destruction efficiency testing on the drum furnace operation facility, or install a PTE, when required in U.S. EPA's Request for Information issued on August 27, 2001.

11. On January 30, 2002, representatives of IFCO and U.S. EPA held a conference to discuss the FOV. On March 5, 2002, representatives of IFCO and U.S. EPA held a conference to discuss the January 29, 2002, NOV.

12. IFCO violated 35 Ill. Admin. Code §§ 218.988 and 218.991(a)(4) and Section 114 of the Act, 42 U.S.C. § 7414 by failing to conduct VOM capture and destruction efficiency testing on the drum furnace operation facility, or install a PTE.

Compliance Program

13. Without admission of liability, IFCO agrees to comply with the terms and conditions set forth below while this Order remains in effect.

14. IFCO must complete installation of a PTE around its drum furnace operation by August 19, 2002. This PTE must capture and contain all VOM emissions from the drum furnace operation for discharge through the existing drum furnace afterburner or other after burner by August 19, 2002. This PTE must meet the requirements of 35 Ill. Admin. Code Part 218, Appendix B, Procedure T by August 19, 2002.

15. By September 2, 2002, IFCO must complete testing on the PTE under Section 114(a)(1) of the Act, 42 U.S.C. § 7414(a)(1). This testing must be done to determine whether the PTE meets the requirements of 35 Ill. Admin. Code Part 218, Appendix B, Procedure T. This testing must be conducted by an independent testing firm hired by IFCO. The results of the testing should be detailed in a report submitted by the testing firm to U.S. EPA by September 16, 2002.

16. IFCO must operate the afterburner used to control the VOM emissions from the drum furnace line at 1600 degrees Fahrenheit or greater at all times when drums are being fed to the furnace.

17. IFCO must send all reports required by this Order to:

Attention: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
U.S. EPA, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604.

General Provisions

18. This Order does not affect IFCO's responsibility to comply with other local, state, and federal laws and regulations.

19. This Order does not restrict U.S. EPA's authority to enforce the Illinois SIP, or any section of the Act.

20. Nothing in this Order limits U.S. EPA's authority to seek appropriate relief, including penalties under Section 113 of the Act, 42 U.S.C. § 7413, for IFCO's violation of the Illinois SIP.

21. Failure to comply with this Order may subject IFCO to penalties of up to \$27,500 per day for each violation under Section 113 of the Act, 42 U.S.C. § 7413.

22. The terms of this Order are binding on IFCO, its assignees and successors. IFCO must give notice of this Order to any successors in interest, prior to transferring ownership, and must simultaneously verify to U.S. EPA, at the above address, that IFCO has given the notice.

23. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 et seq., because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation.

24. U.S. EPA may use any information submitted under this Order in an administrative, civil, or criminal action.

25. IFCO agrees to the terms of this Order.

26. This Order is effective on the date of signature by the Director of the Air and Radiation Division. This Order will expire one year from the effective date, if IFCO has complied with all of its terms.

8/5/02

Date



Calvin G. Lee, ~~President~~ VP
IFCO ICS-Chicago, Inc.

8/27/2002

Date



Stephen Rothblatt, Acting Director
Air and Radiation Division

In the Matter of IFCO ICS-Chicago, Inc.
Docket No.

CERTIFICATE OF MAILING

I, Shanee, Rucker, certify that I mailed an original
Administrative Consent Order, EPA-5-02-113(a)-04, by first-class,
postage prepaid, certified mail, return receipt requested, to

Mr. Eric E. Boyd
Legal Counsel for IFCO ICS-Chicago, Inc.
Seyfarth Shaw
55 East Monroe Street, Suite 4200
Chicago, Illinois 60603-5803

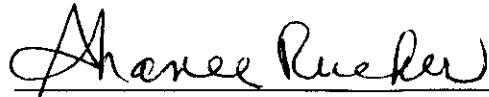
and that I mailed a copy of the Administrative Consent Order to
each of the following individuals:

Mr. Robert Conway
Regional Manager
IFCO ICS-Chicago, Inc.
2300 West 13th Street
Chicago, Illinois 60608

Julie Armitage, Section Manager
Compliance and Systems Management Section
Illinois EPA
1021 North Grand Avenue
Springfield, Illinois 62702

Harish Narayen, Regional Manager
Region 1-IEPA
9511 Harrison
Des Plaines, Illinois 60016

on the 29th day of August, 2002.


Shanee Rucker, Secretary
AECAS (MI/WI)

CERTIFIED MAIL RECEIPT NUMBER: 7099 3400 0000 95958958